

SIKKIM



GOVERNMENT

GAZETTE

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No. 320

**GOVERNMENT OF SIKKIM
FINANCE, REVENUE AND EXPENDITURE DEPARTMENT
GANGTOK**

No: 22/FCD/FIN/198

Dated: 17/8/2016

NOTIFICATION

In exercise of the powers conferred by Article 243 I and 243 Y of the Constitution of India read with Chapter X of Sikkim Panchayat Act, 1993, The Sikkim Municipalities Act, 2007 and in pursuance of section 3 of the Sikkim (Constitution of Finance Commission) Rules, 1995, the Governor of Sikkim is pleased to constitute the Fifth State Finance Commission consisting of Shri L.M. Pradhan, IAS, Secretary, Sikkim Legislative Assembly as the Chairman with the following three officers as members, namely:-

1. Shri Tashi Khangsharpa Special Secretary UD & HD - Member
 2. Shri Mukti Nath Dhakal Director Panchayat RMDD - Member
 3. Shri Bikram Tamang Additional Director/Accounts LRDM - Member Secretary
2. The Chairman and the other Members of the Commission shall hold the office from the date on which they respectively assume office and not later than 1st September 2016, for a period of six months unless the Governor extends the term for the purpose.
3. The Commission shall make recommendations as to the following matters, namely:-
- (1) (a) The principals which should govern:-
 - (i) The distribution of fund between the State and Zilla Panchayats, Gram Panchayats, Municipalities, Municipal Councils and Nagar Panchayats of the net proceeds of the taxes, duties, tolls and fees leviable by the State which may be divided between them under part IX and IX A of the Constitution of India and the allocation between the Zilla Panchayats, Gram Panchayats and Urban Local Bodies at all levels of their respective shares of such proceeds;
 - (ii) The determination of the taxes, duties, tolls and fees which may be assigned to or appropriated by the Zilla Panchayats, Gram Panchayats, Municipalities, Municipal Councils and Nagar Panchayats;
 - (iii) The Grants-in-Aid to the Zilla Panchayats, Gram Panchayats, Municipalities, Municipal Councils and Nagar Panchayats from the consolidated fund of the State.

- (b) The measures needed to improve the financial position of the Gram Panchayats, Municipalities, Municipal Councils and Nagar Panchayats.
- (2) The Commission shall also:-
- (i) examine and make suggestions the extent to which and the manner in which the resource available to the local bodies could best be utilised for meeting the expenditure of the bodies;
 - (ii) make a detailed analysis of the repayment of loans and advances, if any, extended by the Government from time to time to the local bodies and make suitable recommendation for repayment of Government dues and make possibility of adjusting these dues against future devolution of revenues from Government to these bodies.
 - (iii) examine the resources of the Local Bodies for the five years commencing on 1st April 2015, on the basis of the existing and proposed level of taxation and non-tax revenues reached at the end of 2014-15.
- (3) In making its recommendations, the Commission shall have regard to among other things, resources of the State Government and the demands thereon on account of expenditure on civil administration, debt servicing, development and other committed expenditure.
- (4) Suggest to improve the quality of public expenditure to obtain better outputs and outcomes;
- (5) examine the component of maintenance and up keep of capital assets created by the Local Bodies or transferred by the Government to the Local Bodies.
- (6) In making its recommendations on various matters, the Commission shall take the base of population figure as of 2011, in all such cases where population is a factor for determination of devolution of taxes, duties and grants-in-aids.
- (7) The Commission shall indicate the basis on which it has arrived at its findings and make available the estimates and expenditure of each tier of Local Bodies within the State.
- (8) The Commission shall submit its recommendations to the Governor within 28th day of February 2017, covering the period of five years commencing on the 1st day of April, 2020.
- (9) The Chairman and Members shall hold office till submission of the final report of the Commission to the Government.

M.G. KIRAN, IAS
Principal Secretary
Finance Revenue & Expenditure Department